## WEANER PIG SUPPLY AND PURCHASE AGREEMENT

This AGREEMENT is made this _	_ day of, 1996,
between , a Nebraska Nebraska, (hereinafter called "Buyer") and Nebraska, (hereinafter called "Selle	limited liability partnership, of discounting a Nebraska corporation, of

WHEREAS, Buyer operates nursery facilities with sufficient capacity to handle the volume of weaner pigs contemplated herein and Buyer wishes to purchase pigs weighing between 8 and 10 pounds from Seller that meet Buyer's specifications ("Weaner Pigs"); and

WHEREAS, Buyer has the necessary facilities and capacity to purchase, feed, market and otherwise process the entire production of Weaner Pigs from Seller's herd and anticipates that Buyer will continue to have such facilities and capacity; and

WHEREAS, Seller has made a substantial investment in facilities in reliance upon the promises set forth herein and Seller desires to obtain a constant market for Weaner Pigs that Seller produces;

NOW THEREFORE, in consideration of the mutual agreements herein and for other good and valuable consideration, the parties hereto agree as follows:

- 1. PURCHASE AND SALE OF PIGS. Seller shall supply and sell to Buyer and Buyer shall purchase from Seller all pigs produced from Seller's sow herd. All pigs subject to this agreement shall be delivered on a weekly basis, unless otherwise provided or mutually agreed.
- 2. TERM. The term of this agreement shall begin on the date of the first delivery of Seller's pigs and shall continue in effect for seven (7) years. This agreement shall automatically renew for a successive seven (7) year term at the end of each year that this agreement shall be in force, unless terminated by the parties as set forth herein.
- 3. PURCHASE PRICE. The Weaner Pig price shall be adjusted weekly and paid to Seller (and to any co-payee lender designated by Seller) within 48 hours of delivery of the Weaner Pigs to Buyer. Buyer will maintain pertinent records of market information from the Chicago Mercantile Exchange. For all Weaner Pigs delivered to Buyer by Seller, the Weaner Pig price shall be calculated according to the following formula:

Weaner Pig Price=Avg. "Lean Hog" Futures Price x 74% x 250lbs. x 28.5%.

For the purpose of this agreement, the Avg. "Lean Hog" Futures Price shall mean the average of the closing price, on the five trading days (excluding legal holidays) prior to

